## TW Cable – a highly clustered cable company

Over 85% of subs located in 5 regions

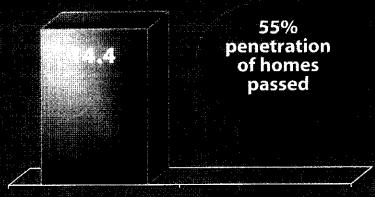
(managed subs in millions)	Today	Pro forma
New York	2.6	3.1
Texas	2.0	2.6
California	0.7	2.4
Ohio	1.5	2.3
The Carolinas	1.7	1.9



### Pro forma subscribers and penetration



#### **DIGITAL VIDEO**



43% penetration of basic subs

#### RESIDENTIAL HSD

**VOICE** 

19% penetration of eligible homes 1%
penetration
of homes
passed

0.4

## TW Cable management team well suited to take advantage of this opportunity

- Industry innovation leaders
- Regional, customer-focused organization is well-positioned to compete
- Significant integration experience
- Proven financial performance

# GICTI BY III. CHAIRMAN AND CEO TIME WARNER CABLE

CABLE

## Imewarmer







## Due diligence

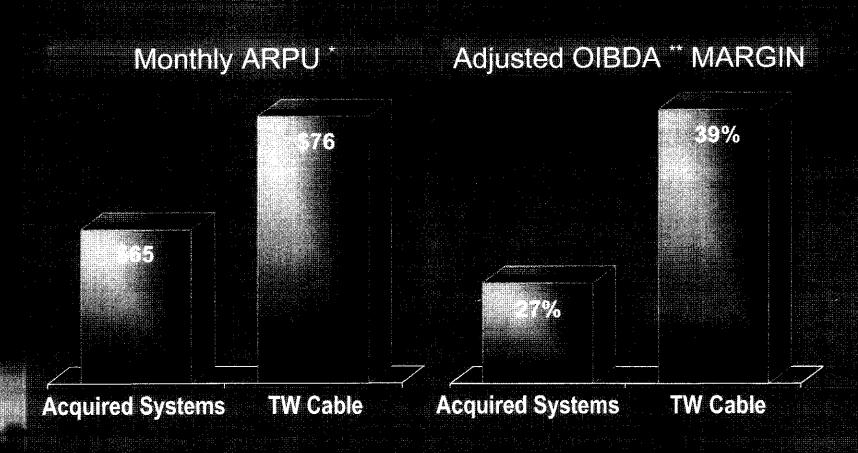
- Performed extensive due diligence
- Physical inspection and operational due diligence, in addition to normal accounting and legal reviews

## Due diligence findings

- Recent upgrades in excellent condition
- Earlier upgrades need additional work
- 15% of Adelphia homes passed not upgraded to at least 750 MHz
- Estimated \$650M capital costs over
   next few years to bring plant up to TW
   Cable standards

## ARPU and margin opportunity

**FULL YEAR 2004** 



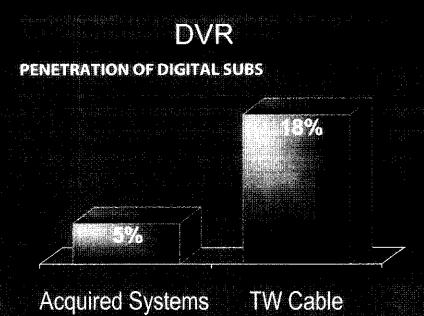
## Opportunities to improve performance

- Programming cost savings
- Overhead reductions
- Faster rollout of new products and services

### Basic video subscribers

- Adelphia reported basic subscriber declines of 260k in 2004 (4.9%)
- TW Cable reported basic subscriber declines of 35k in 2004 (0.3%)
  - Expect subscriber declines to moderate over time under TW Cable management

## Advanced video opportunity





VOD AVAILABILITY
% OF DIGITAL SUBS

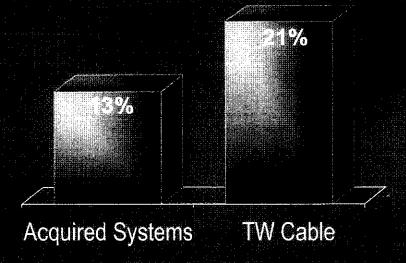
TW Cable

Acquired Systems \*

### High speed data opportunity

Residential High Speed Data Penetration

Penetration Of Eligible Homes



Adelphia service will improve to TW Cable level:

5 Mbps standard offering; 8 Mbps premium offering Strong data infrastructure and quality customer service

Opportunity to leverage
AOL relationship and
accelerate net additions



## Digital Phone opportunity

- Sizable consumer demand; essentially untapped today
- Significant growth potential for combined company
  - TW Cable launched Digital Phone in 2004; now focused on sub growth
  - Plan to aggressively launch in upgraded systems

## TW Cable pro forma financial outlook – first year after close

Pro forma for Comcast redemption and Adelphia transaction (including related swaps)

Revenues

\$13.3B-\$13.8B

Adjusted OIBDA \*

\$4.7B-\$5.0B

Adjusted OIBDA margin

% in mid 30's

Capex

\$2.7B-\$2.9B

Free Cash Flow \*

\$400M - \$600M





mel

NEW LINE CINEMA

## TimeWarmer

San Anti-

TIME WARNER
CABLE



## **EXHIBIT II(G)**

DMA Rank	Nielsen DMA	Current Subscribers	Bright House Subscribers	Net Gain/Loss	Post-Transaction Attributable Subscribers
	New York	1,379,086	- CONSTRUCTS	0	1,379,086
	Los Angeles	369,975		1,548,771	1,918,746
	Chicago	0		0	0
	Philadelphia	49,387		-49,387	0
	Boston (Manchester)	14,300		1,859	16,159
	San Francisco-Oak-San Jose	0		1,653	10,133
	Dallas-Ft. Worth	0		579,750	579,750
	Washington, DC (Hagrstwn)	0		0	0
	Atlanta	0		0	0
	Detroit	0	78,424	0	1
	Houston		/0,424		78,424
		753,857		0	753,857
	Seattle-Tacoma	0	4 000 000	918	918
	Tampa-St. Pete (Sarasota)	0	1,029,683	0	1,029,683
	Minneapolis-St. Paul	202,472		-202,472	0
	Phoenix (Prescott), AZ	0		0	0
	Cleveland-Akron (Canton)	283,109		570,968	854,077
	Miami-Ft. Lauderdale	0	· · · · · · · · · · · · · · · · · · ·	0	0
	Denver	0		4,704	4,704
	Sacramnto-Stktn-Modesto	0		0	0
	Orlando-Daytona Bch-Melbrn	0	793,109	0	793,109
	St. Louis	0		0	0
	Pittsburgh	6,463		0	6,463
	Baltimore	0		0	0
	Portland, OR	0		0	0
	Indianapolis	1,108		0	1,108
	San Diego	227,513		73,842	301,355
	Hartford & New Haven	0		0	0
	Charlotte	384,882		41,199	426,081
	Raleigh-Durham (Fayetvlle)	460,097		11,183	471,280
30	Nashville	0		0	0
31	Kansas City	303,350		0	303,350
32	Milwaukee	416,684		0	416,684
33	Cincinnati	349,323		39,658	388,981
34	Columbus, OH	313,258		51,715	364,973
35	GreenvII-Spart-AshevII-And	8,131		0	8,131
	Salt Lake City	0		2,044	2,044
	San Antonio	384,016		0	384,016
	Grand Rapids-Kalmzoo-B.Crk	0		0	0
	West Paim Beach-Ft. Pierce	0	1,362	0	1,362
	Birmingham (Ann and Tusc)	0	68,296	11,133	79,429
	Norfolk-Portsmth-Newpt Nws	0		14,468	14,468
	Harrisburg-Lncstr-Leb-York	0		0	0
	New Orleans	34,716		-34,716	1 0
	Memphis	204,018		-202,319	1,699
	Oklahoma City	0		0	0
	Buffalo	75,788	<u> </u>	357,543	433,331
	Albuquerque-Santa Fe	0		0	0

#### ${\bf Exhibit} \ {\bf II(G)} \ {\bf Time} \ {\bf Warner} \ {\bf Cable} \ {\bf Managed} \ {\bf Subscribers} \ {\bf -Current} \ {\bf and} \ {\bf Post} \ {\bf Transactions}$

DMA Rank	Nielsen DMA	Current Subscribers	Bright House Subscribers	Net Gain/Loss	Post-Transaction Attributable Subscribers
	Greensboro-H.Point-W/Salem	340,210		11,598	351,808
	Providence-New Bedford	0		0	0
	Louisville	0		3,335	3,335
$\rightarrow$	Las Vegas	ō		0	0
	Jacksonville, Brunswick	44,989		-44,989	0
	Wilkes Barre-Scranton	6,250		0	6,250
	Austin	316,594		0	316,594
	Albany-Schenectady-Troy	319,639		61,061	380,700
	Dayton	284,024		11,968	295,992
	Little Rock-Pine Bluff	0		0	0
	Fresno-Visalia	0		0	0
	Knoxville	0		0	0
	Tulsa	2,193		1,935	4,128
	Richmond-Petersburg	0		358	358
	Charleston-Huntington	9,980		33,337	43,317
	Mobile-Pensacola (Ft Walt)	0	5,999	00,007	5,999
	Lexington	1 0	0,000	111,973	111,973
	Flint-Saginaw-Bay City	0		0	0
	Wichita-Hutchinson Plus	0		5,011	5,011
	Roanoke-Lynchburg	284		1,385	1,669
	Ft. Myers-Naples	62,493		-62,493	0
	Green Bay-Appleton	147,981		0	147,981
	Toledo	61,121		63,591	124,712
	Honolulu	397,253		00,031	397,253
	Tucson (Sierra Vista)	0		0	0
	Des Moines-Ames	0		0	0
	Portland-Auburn	109,478		145,704	255,182
	Rochester, NY	259,744		5,124	264,868
	Omaha	19,054		0	19,054
	Syracuse	264,185		15,943	280,128
	Springfield, MO	0		0	0
	Paducah-Cape Girard-Harsbg	0		795	795
	Spokane	0		47,137	47,137
	Shreveport	62,132		-62,132	0
	Champaign&Sprngfld-Decatur	02,132		0	0
	Columbia, SC	163,260	<u> </u>	359	163,619
	Huntsville-Decatur (Flor)	163,260		4,464	4,464
	Madison	0		0	0
		0		0	0
	Chattanooga	0		0	0
	South Bend-Elkhart	0		0	0
	Cedar Rapids-Wtrlo-IWC&Dub	0		8,175	8,175
	Tri-Cities, TN-VA				
	Burlington-Plattsburgh	13,018		9,198	22,216
	Jackson, MS	76,382		-76,382	0
	Colorado Springs-Pueblo Harlingen-Wslco-Brnsvl-McA	0 105,113		0	105,113
^^!		1 105.113	ī	1 []	1 1U5 LL5

#### Exhibit II(G) Time Warner Cable Managed Subscribers - Current and Post Transactions

	Nielsen DMA	Current Subscribers	Bright House Subscribers	Net Gain/Loss	Post-Transaction Attributable Subscribers
	Waco-Temple-Bryan	109,812		0	109,812
	Baton Rouge	0		0	0
	Johnstown-Altoona	0		0	0
	Savannah	00		22,477	22,477
	Evansville	0		24,618	24,618
	El Paso (Las Cruces)	108,501		0	108,501
	Charleston, SC	53,161		1,462	54,623
	Youngstown	89,094		27,199	116,293
103	Lincoln & Hstngs-Krny Plus	90,338		0	90,338
	Ft. Wayne	3,765		3,974	7,739
105	Greenville-N.Bern-Washngtn	77,606		1,760	79,366
106	Springfield-Holyoke	6,628		0	6,628
107	Ft. Smith-Fay-Sprngdl-Rgrs	0		0	0
108	Myrtle Beach-Florence	142,818		23,781	166,599
109	Tallahassee-Thomasville	8,395		-8,395	0
110	Lansing	0		0	0
	Tyler-Longview(Lfkn&Ncgd)	0		0	0
112	Traverse City-Cadillac	0		0	0
	Montgomery-Seima	0	22,781	0	22,781
	Reno	0	<u> </u>	5,097	5,097
	Augusta	0		0	0
	Sioux Falls(Mitchell)	0	1	0	0
	Peoria-Bloomington	0		0	0
118	Fargo-Valley City	0		0	0
	Macon	0		0	0
	Eugene	0		Ö	0
	SantaBarbra-SanMar-SanLuOb	0		0	0
	Boise	0		3,370	3,370
	Lafayette, LA	0		0	0
	Monterey-Salinas	0		Ö	0
	Columbus, GA	2,403	5,717	0	8,120
	Yakima-Pasco-Rchlnd-Knnwck	0		0	0
	La Crosse-Eau Claire	0		0	0
	Bakersfield	0	89,461	1,191	90,652
	Corpus Christi	92,549	40) / 6 /	0	92,549
	Amarillo	0		0	0
	Chico-Redding	0		1,041	1,041
	Columbus-Tupelo-West Point	0		639	639
	Wausau-Rhinelander			0	0
	Rockford	0		0	0
	Monroe-El Dorado	39,748		-39,748	0
	Duluth-Superior	0		-39,740	1 0
		0		0	0
	Topeka Beaumont-Port Arthur	89,091		0	89,091
		09,091		0	09,091
	Columbia-Jefferson City			4,263	117,076
	Wilmington Medford-Klamath Falls	112,813 0		4,263	0

#### Exhibit II(G) Time Warner Cable Managed Subscribers - Current and Post Transactions

DMA		Current	Bright House		Post-Transaction Attributable
	Nielsen DMA	Subscribers	Subscribers	Net Gain/Loss	Subscribers
142	Erie	28,293		41,090	69,383
143	Sioux City	0		0	0
	Wichita Falls & Lawton	24,689		6,762	31,451
145	Lubbock	0		0	0
146	Joplin-Pittsburg	0		0	0
	Albany, GA	0		0	0
	Bluefield-Beckley-Oak Hill	0		14,093	14,093
	Terre Haute	24,461		0	24,461
150	Salisbury	0		0	0
	Bangor	0		77,314	77,314
	Wheeling-Steubenville	0		3,610	3,610
	Rochestr-Mason City-Austin	0		0	0
	Binghamton	84,703		4,653	89,356
	Anchorage	0		0	0
156	Biloxi-Gulfport	0		0	0
	Minot-Bismarck-Dickinson	0		0	0
158	Odessa-Midland	0		0	0
159	Palm Springs	103,145		65,078	168,223
	Panama City	0	11,303	0	11,303
	Sherman, TX-Ada, OK	0		0	0
	Gainesville	1,051		-1,051	0
163	Abilene-Sweetwater	0		0	0
164	Idaho Falis-Pocatello	0		0	0
165	Clarksburg-Weston	25,279		488	25,767
	Utica	36,587		47,962	84,549
	Quincy-Hannibal-Keokuk	0		0	0
	Hattiesburg-Laurel	0		0	0
	Missoula	0	1	0	0
170	Billings	0		0	0
	Yuma-El Centro	0		51,215	51,215
172	Dothan	12,160		10,189	22,349
173	Elmira (Corning)	55,206		2,454	57,660
174	Jackson, TN	0		0	0
175	Watertown	61,611		0	61,611
176	Alexandria, LA	0		0	0
	Lake Charles	0		0	0
178	Rapid City	0		0	0
179	Jonesboro	0		0	0
180	Marquette	0		0	0
181	Harrisonburg	0		0	0
182	Bowling Green	0		54	54
	Greenwood-Greenville	0		13,238	13,238
	Meridian	0		0	0
	Charlottesville	0		0	0
	Lafayette, IN	0		0	0
	Parkersburg	0		3,540	3,540
	Great Falls	0		0	0

#### Exhibit II(G) Time Warner Cable Managed Subscribers - Current and Post Transactions

1	Nielsen DMA	Current Subscribers	Bright House Subscribers	Net Gain/Loss	Post-Transaction Attributable Subscribers
189	Grand Junction-Montrose	0		0	0
190	Laredo	47,652		0	47,652
191	Twin Falls	Ö		0	0
192	Eureka	0		0	0
193	Butte-Bozeman, MT	0		0	0
194	Lima	29,452		1,125	30,577
195	Cheyenne, WY-Scottsbluff,	0		0	0
196	San Angelo	0		0	0
197	Bend, OR	0		0	0
198	Casper-Riverton	0		0	0
199	Mankato	4,106		-4,106	0
200	Ottumwa-Kirksville	0		0	0
201	St. Joseph	0		0	0
202	Zanesville	22,176		1,458	23,634
203	Presque Isle	8,379		8,988	17,367
204	Fairbanks	0		0	0
205	Victoria	0		0	0
206	Helena	0		0	0
207	Juneau, AK	0		0	0
208	Alpena	0		0	0
209	North Platte	0		0	0
210	Glendive	0		0	0

## **EXHIBIT III (A)**

### **EXHIBIT III (B)**

## EXHIBIT III (C)

## EXHIBIT III (E)

## EXHIBIT III (F)(1)

## EXHIBIT III (F)(2)

## EXHIBIT IV(C)(1)

290 Harbor Drive Stamford, CT 06902 Tel 203-328-0671 Fax 203-328-4042 Inlie patterson@twcable.com

this advisory." The *Order* further required providers to furnish subscribers with certain warning stickers.<sup>5</sup>

On July 26, 2005, the Enforcement Bureau released a *Public Notice*, in which it stated that "it will not initiate enforcement action, until August 30, 2005, against any provider of interconnected VoIP service regarding the requirement that it obtain affirmative acknowledgement by every existing subscriber on the condition that the provider file a detailed report with the Commission by August 10, 2005 . . . ." The Bureau stated that the report must include: (1) a description of actions taken to advise subscribers; (2) a quantification of how many subscribers have submitted an acknowledgement and an estimate of the percentage of subscribers that will not do so by August 29; (3) a description of efforts to furnish subscribers with warning stickers; (4) a quantification of how many subscribers were not sent an advisory; (5) a description of actions planned towards subscribers that do not submit an acknowledgement; (6) a description of the way in which acknowledgements are maintained; and (7) a designation of a person responsible for compliance efforts. This letter contains Time Warner Cable's report.

Using its own upgraded hybrid fiber-coaxial cable-television facilities, Time Warner Cable provides an IP-based voice service under the brand name "Digital Phone." Time Warner Cable began providing Digital Phone service more than two years ago in select operating divisions. It now provides the service throughout its footprint. As of June 30, 2005, Time Warner Cable had approximately 614,000 Digital Phone subscribers.

When subscribers order Digital Phone service, Time Warner Cable dispatches professional technicians to install an embedded multimedia terminal adapter (or "eMTA"), which is a voice-enabled cable modem that contains an RJ-11 outlet. Like traditional cable modems, eMTAs are powered by electricity drawn from a standard power outlet at the customer's premises. Time Warner Cable's eMTAs do, however, contain a battery back-up that is good for at least four hours of service.

Unlike IP-based voice services that use the public Internet, Digital Phone is not intended to be a "nomadic" service. This is not simply a matter of Time Warner Cable's terms of service, which prohibit customers from moving the eMTA.<sup>8</sup> It is also due to the nature of Time Warner Cable's Digital Phone service, which is designed not to be used in connection with the Internet, but

<sup>&</sup>lt;sup>4</sup> Id. ¶ 48.

<sup>&</sup>lt;sup>5</sup> See id.

<sup>&</sup>lt;sup>6</sup> Public Notice at 2.

<sup>&</sup>lt;sup>7</sup> *Id.* at 2-3.

<sup>&</sup>lt;sup>8</sup> See Time Warner Cable Digital Phone Subscription Agreement, § 2(i) ("Transfer of . . . the Operator's Equipment by Subscriber to any other person or entity, or to a new residence or other location, is prohibited.").

290 Harbor Drive Stamford, CT 06902 Tel 203-328-0671 Fax 203-328-4042 julie patterson@wcable.com

rather to work over Time Warner Cable's cable-television facilities. Indeed, in virtually all cases, Time Warner Cable's eMTAs simply will not function if moved.<sup>9</sup>

Since launching Digital Phone service in early 2003, Time Warner Cable has ensured that Digital Phone service has included Enhanced 911 capabilities. This E911 service is provided by sending automatic number information ("ANI") and automatic location information ("ALI") directly to public safety answering point ("PSAP") emergency dispatchers over the existing wireline 911 network. In addition, Time Warner Cable does not begin providing Digital Phone service to subscribers in a given area unless and until the E911 service is tested and certified by the local PSAP.

Because it uses the existing wireline 911 infrastructure, Time Warner Cable's E911 service is virtually identical to that provided by incumbent LECs. Unlike the twisted copper wire used by incumbent LECs, however, the fiber and coaxial wire used in Time Warner Cable's systems does not carry power. Thus, a commercial power failure can cause eMTAs to stop functioning, though Time Warner Cable's eMTAs do have at least four hours of battery back-up power. In addition, power outages may affect some of the equipment between the subscriber and the head-end (because not all such equipment has back-up power), but that is true with respect to incumbent LEC networks as well.

Since Time Warner Cable first launched Digital Phone service, it has provided subscribers with appropriate advisories. *First*, each subscriber is furnished, at the time of installation, with a printed copy of the Time Warner Cable Subscriber Agreement, which includes clauses in which E911 issues are specifically addressed. *Second*, it is Time Warner Cable's policy that, at the time

<sup>&</sup>lt;sup>9</sup> The only exception is that eMTAs may work in the limited circumstance where a customer would move them to the premises of another Time Warner Cable customer served off the same node. Such moves, however, would violate the Subscriber agreement.

<sup>&</sup>lt;sup>10</sup> This is also the case with cordless telephones used by many subscribers to traditional telephone service.

Network equipment can also fail for other reasons. For example, fiber-related electronic equipment may stop functioning due to hardware or software failure, even while power is alive. But, again, that is true of incumbent LEC equipment as well.

<sup>12</sup> See Time Warner Cable Digital Phone Subscription Agreement, § 2(d) ("Subscriber expressly acknowledges that the Digital Phone Service does not have its own power source and will not be available without an independent power supply and that, under certain circumstances, including if the electrical power and/or Operator's cable network or facilities are not operating, the Digital Phone Service, including the ability to access emergency 911 services, will not be available."); id. § 2(i) ("Transfer of all or a portion of the account, the Digital Phone Service or the Operator's Equipment by Subscriber to any other person or entity, or to a new residence or other location, is prohibited. Subscriber expressly acknowledges that the address associated with an emergency 911 call is the authorized address where the Digital Phone Service was originally provided and that movement of the voice-enabled cable modem from the original service location will result in the identification of emergency 911 calls from the original service location. Access to

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of installation, service technicians must require subscribers to sign a work order that includes, prominently and in plain language directly above the signature line, a notice that Digital Phone service, including the ability to access E911 service, will not be available in the event of a power or network failure. By signing the work order, the Digital Phone subscriber also acknowledges having received the Subscriber Agreement. Have they sign up via telephone, over the Internet, or in person, all new Digital Phone subscribers are informed that Digital Phone service may not be available in case of a power outage. Finally, Time Warner Cable's websites and other marketing materials contain E911-related advisories.

Based on these policies and practices, Time Warner Cable believes that it has already notified, and obtained the affirmative acknowledgement of, each of its existing Digital Phone subscribers as to the terms and conditions regarding Time Warner Cable's provision of E911 service. Nevertheless, out of an abundance of caution — and in light of the Commission's *Order* and the important public policy interests involved in ensuring that voice customers understand the nature of the E911 that they receive — Time Warner Cable has undertaken the following additional steps to remind subscribers of these matters:

- \* By August 20, 2005, Time Warner Cable will have completed a mailing campaign in which it is sending all of its Digital Phone subscribers, on a rolling basis, a letter providing fresh advisories concerning E911 service and requesting them affirmatively to acknowledge their receipt and understanding of the advisory.
- \* This mailing also includes E911-related warning stickers, which had not been required at the time that Time Warner Cable signed up most of its current Digital Phone subscribers.

emergency 911 services will therefore be limited if the voice-enabled cable modem is moved from the original service location.").

<sup>13</sup> Specifically, the work order states as follows: "[M]y signature on this work order indicates that I have received and agreed to Section 2(d) of the Digital Phone Subscription Agreement, which has informed me that the Digital Phone Service does not include an independent power source and that, if the electrical power and/or Time Warner Cable's network are not operating, the Digital Phone Service, including the ability to access emergency 911 services, will not be available."

<sup>14</sup> Copies of these work orders are maintained by local Time Warner Cable operating divisions in accordance with Time Warner Cable's records management and maintenance policies.

http://www.timewarnercable.com/CustomerService/FAQ/TWCFaqs.ashx?faqID=1163&MarketID=0 &CatID=637 ("Please note that Digital Phone service does not include back-up power. As in the case with a cordless phone, should there be a power outage, Digital Phone service, including the ability to access 911 services, will not be available until the power is restored.").

<sup>16</sup> In light of these consents, Time Warner Cable does not believe that there is cause to take further action, such as disconnecting service, with respect to any of its Digital Phone subscribers.

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- \* Time Warner Cable has sent to all subscribers for whom it has a valid e-mail address on file an electronic version of the E911 notifications, which directs subscribers to a toll-free telephone number or website to submit their acknowledgement.
- \* Time Warner Cable has begun a telephone calling campaign to advise each of its subscribers of the E911 service issues, to ensure that they have received warning stickers and E911 notices, and to request additional acknowledgements from subscribers.<sup>17</sup>
- \* With respect to new subscribers, Time Warner Cable is continuing to adhere to the policies explained above and is implementing a new policy of distributing warning stickers at the time of installation.

Please contact me if I can be of assistance with additional information.

Respectfully submitted,

/s/

Julie Y. Patterson

#### Copies by e-mail to:

- Byron McCoy, Telecommunications Consumers Division, Enforcement Bureau, byron.mccoy@fcc.gov;
- Kathy Berthot, Deputy Chief, Spectrum Enforcement Division, Enforcement Bureau, kathy.berthot@fcc.gov;
- Janice Myles, Competition Policy Division, Wireline Competition Bureau, janice.myles@fcc.gov;
- Best Copy and Printing, Inc. (BCPI), fcc@bcpiweb.com.

<sup>&</sup>lt;sup>17</sup> Copies of all of the foregoing subscriber acknowledgement records — including telephonic and e-mail acknowledgements — will be maintained by local Time Warner Cable operating divisions in accordance with Time Warner Cable's records managements and maintenance policies.

## EXHIBIT IV(C)(2)

290 Harbor Drive Stamford, CT 06902 Tel 203-328-0671 Fax 203-328-4042 julie patterson@swcable.com



August 10, 2005

By ECFS (http://www.fcc.gov/cgb/ecfs/)

Ms. Marlene H. Dortch Office of the Secretary Federal Communications Commission 445 12th Street, SW Washington, D.C. 20554

Re: WC Docket 05-196 — SUBSCRIBER NOTIFICATION REPORT

Dear Ms. Dortch:

On behalf of Time Warner Cable, <sup>1</sup> I am writing in connection with the Enforcement Bureau's Public Notice released in this docket on July 26, 2005.<sup>2</sup>

On June 3, 2005, the Commission released an *Order* requiring providers of "Interconnected VoIP Service" to advise all subscribers of certain E911-related information.<sup>3</sup> In particular, the Commission stated: "[B]y the effective date of this Order, we require that all providers of interconnected VoIP service specifically advise every subscriber, both new and existing, prominently and in plain language, [of] the circumstances under which E911 service may not be available through the interconnected VoIP service or may be in some way limited by comparison to traditional E911 service. VoIP providers shall obtain and keep a record of affirmative acknowledgement by every subscriber, both new and existing, of having received and understood

<sup>&</sup>lt;sup>1</sup> I am the person responsible for the Company's compliance efforts relating to E911. My title is Vice President & Chief Counsel, Telephony. My address is: Time Warner Cable, 290 Harbor Drive, Stamford, Connecticut 06902. My phone number is 203-328-0671, and my e-mail address is julie.patterson@twcable.com.

<sup>&</sup>lt;sup>2</sup> Enforcement Bureau Provides Guidance to Interconnected Voice Over Internet Protocol Service Providers Concerning the July 29, 2005 Subscriber Notification Deadlines, Public Notice, WC Docket Nos. 04-36 & 05-196, DA 05-2085 (rel. July 26, 2005) ("Public Notice").

<sup>&</sup>lt;sup>3</sup> *IP-Enabled Services*; *E911 Requirements for IP-Enabled Service Providers*, First Report and Order and Notice of Proposed Rulemaking, WC Docket Nos. 04-36 & 05-196, FCC 05-116 (rel. June 3, 2005) ("Order").

290 Harbor Drive Stamford, CT 06902 Tel 203-328-0671 Fax 203-328-4042 julie.patterson@twcable.com



September 1, 2005

By ECFS (http://www.fcc.gov/cgb/ecfs/)

Ms. Marlene H. Dortch Office of the Secretary Federal Communications Commission 445 12th Street, SW Washington, D.C. 20554

Re:

WC Docket 05-196 — SUBSCRIBER NOTIFICATION REPORT

(SEPTEMBER 1, 2005)

Dear Ms. Dortch:

On behalf of Time Warner Cable, I am writing in connection with the Enforcement Bureau's Public Notice released in this docket on August 26, 2005. This letter supplements the letter that we submitted in this docket on August 10, 2005.<sup>2</sup>

In our August Letter, we explained that, based on Time Warner Cable's policies and practices predating the Commission's June 3, 2005, order in this docket, "Time Warner Cable believes that it has already notified, and obtained the affirmative acknowledgement of, each of its existing Digital Phone subscribers as to the terms and conditions regarding Time Warner Cable's provision of E911 service." As our August Letter also explained, however, "out of an abundance of caution — and in light of the Commission's Order and the important public policy interests involved in ensuring that

<sup>&</sup>lt;sup>1</sup> Enforcement Bureau Provides Further Guidance to Interconnected Voice Over Internet Protocol Service Providers Concerning Enforcement of Subscriber Acknowledgement Requirement, Public Notice, WC Docket Nos. 04-36 & 05-196, DA 05-2358 (rel. Aug. 26, 2005) ("August Public Notice").

<sup>&</sup>lt;sup>2</sup> Letter from Julie Y. Patterson to Marlene H. Dortch, WC Docket 05-196, Aug. 10, 2005 ("August Letter").

<sup>&</sup>lt;sup>3</sup> IP-Enabled Services; E911 Requirements for IP-Enabled Service Providers, First Report and Order and Notice of Proposed Rulemaking, 20 FCC Rcd 10245 (2005) ("June Order").

<sup>&</sup>lt;sup>4</sup> August Letter at 4. We further explained that, "in light of these consents, Time Warner Cable does not believe that there is cause to take further action, such as disconnecting service, with respect to any of its Digital Phone subscribers." Id. at n.16.

290 Harbor Drive Stamford, CT 06902 Tel 203-328-067] Fax 203-328-4042 julie patterson@pycable.com

voice customers understand the nature of the E911 that they receive — Time Warner Cable has undertaken [certain] additional steps to remind subscribers of these matters."<sup>5</sup>

Among other things, our *August Letter* explained that, "by August 20, 2005, Time Warner Cable will have completed a mailing campaign in which it is sending all of its Digital Phone subscribers, on a rolling basis, a letter providing fresh advisories concerning E911 service and requesting them affirmatively to acknowledge their receipt and understanding of the advisory. . . . This mailing also includes E911-related warning stickers . . . ," The mailing campaign was completed as planned. Thus, all Digital Phone subscribers have been sent warning stickers and fresh advisories.

Time Warner Cable's *August Letter* also explained that "Time Warner Cable has begun a telephone calling campaign to advise each of its subscribers of the E911 service issues, to ensure that they have received warning stickers and E911 notices, and to request additional acknowledgements from subscribers." That telephone campaign is ongoing.

Please contact me if I can be of assistance with additional information.

Respectfully submitted,

/s/

Julie Y. Patterson

#### Copies by e-mail to:

- Byron McCoy, Telecommunications Consumers Division, Enforcement Bureau, byron.mccoy@fcc.gov;
- Kathy Berthot, Deputy Chief, Spectrum Enforcement Division, Enforcement Bureau, kathy.berthot@fcc.gov;
- Janice Myles, Competition Policy Division, Wireline Competition Bureau, janice.myles@fcc.gov;
- Best Copy and Printing, Inc. (BCPI), fcc@bcpiweb.com.

<sup>&</sup>lt;sup>5</sup> *Id.* at 4.

<sup>&</sup>lt;sup>6</sup> *Id*.

<sup>&</sup>lt;sup>7</sup> *Id.* 

## EXHIBIT IV(C)(3)



September 22, 2005

By ECFS (http://www.fcc.gov/cgb/ecfs/)

Ms. Marlene H. Dortch Office of the Secretary Federal Communications Commission 445 12th Street, SW Washington, D.C. 20554

WC Docket 05-196 — SUBSCRIBER NOTIFICATION REPORT (SEPTEMBER 22, 2005)

Dear Ms. Dortch:

Re:

On behalf of Time Warner Cable, I am writing in connection with the Enforcement Bureau's Public Notice released in this docket on August 26, 2005. This letter supplements the letters that we submitted in this docket on August 10, 2005, and September 1, 2005.

In our August 10 Letter, we explained that, based on Time Warner Cable's policies and practices predating the Commission's June 3, 2005, order in this docket, "Time Warner Cable believes that it has already notified, and obtained the affirmative acknowledgement of, each of its existing Digital Phone subscribers as to the terms and conditions regarding Time Warner Cable's provision of E911 service." As our August 10 Letter also explained, however, "out of an abundance of caution — and in light of the Commission's Order and the important public policy interests involved in ensuring that voice customers understand the nature of the E911 that they receive —

<sup>&</sup>lt;sup>1</sup> Enforcement Bureau Provides Further Guidance to Interconnected Voice Over Internet Protocol Service Providers Concerning Enforcement of Subscriber Acknowledgement Requirement, Public Notice, WC Docket Nos. 04-36 & 05-196, DA 05-2358 (rel. Aug. 26, 2005).

<sup>&</sup>lt;sup>2</sup> Letter from Julie Y. Patterson to Marlene H. Dortch, WC Docket 05-196, Aug. 10, 2005 ("August 10 Letter"); Letter from Julie Y. Patterson to Marlene H. Dortch, WC Docket 05-196, Sept. 1, 2005 ("September 1 Letter").

<sup>&</sup>lt;sup>3</sup> *IP-Enabled Services: E911 Requirements for IP-Enabled Service Providers*, First Report and Order and Notice of Proposed Rulemaking, 20 FCC Rcd 10245 (2005).

<sup>&</sup>lt;sup>4</sup> August 10 Letter at 4. We further explained that, "in light of these consents, Time Warner Cable does not believe that there is cause to take further action, such as disconnecting service, with respect to any of its Digital Phone subscribers." *Id.* at n.16.

Time Warner Cable has undertaken [certain] additional steps to remind subscribers of these matters."<sup>5</sup>

Among other things, our *August 10 Letter* explained that, "by August 20, 2005, Time Warner Cable will have completed a mailing campaign in which it is sending all of its Digital Phone subscribers, on a rolling basis, a letter providing fresh advisories concerning E911 service and requesting them affirmatively to acknowledge their receipt and understanding of the advisory. . . . This mailing also includes E911-related warning stickers . . ." As we reported in our *September 1 Letter*, the mailing campaign was completed as planned. Thus, all Digital Phone subscribers have been sent warning stickers and fresh advisories.

Time Warner Cable's August 10 Letter also explained that "Time Warner Cable has begun a telephone calling campaign to advise each of its subscribers of the E911 service issues, to ensure that they have received warning stickers and E911 notices, and to request additional acknowledgements from subscribers." That telephone campaign remains ongoing.

Please contact me if I can be of assistance with additional information.

Respectfully submitted,

/s/

Julie Y. Patterson

## Copies by e-mail to:

- Byron McCoy, Telecommunications Consumers Division, Enforcement Bureau, byron.mccoy@fcc.gov;
- Kathy Berthot, Deputy Chief, Spectrum Enforcement Division, Enforcement Bureau, kathy.berthot@fcc.gov;
- Janice Myles, Competition Policy Division, Wireline Competition Bureau, janice.myles@fcc.gov;
- Best Copy and Printing, Inc. (BCPI), fcc@bcpiweb.com.

<sup>&</sup>lt;sup>5</sup> *Id.* at 4.

<sup>&</sup>lt;sup>6</sup> *Id*.

<sup>&</sup>lt;sup>7</sup> Id.

# EXHIBIT IV(C)(4)



November 28, 2005

By ECFS (http://www.fcc.gov/cgb/ecfs/)

Ms. Marlene H. Dortch Office of the Secretary Federal Communications Commission 445 12th Street, SW Washington, D.C. 20554

Re: WC Docket 04-36; WC Docket 05-196 — COMPLIANCE LETTER

Dear Ms. Dortch:

Time Warner Cable hereby submits this Compliance Letter in the above-referenced dockets.

On June 3, 2005, the Commission released an *Order* requiring providers of "interconnected VoIP service" to "supply enhanced 911 (E911) capabilities to their customers." The *Order* also required interconnected VoIP providers to submit, by November 28, 2005, "a letter . . . detailing their compliance with our rules."

On November 7, 2005, the Enforcement Bureau released a Public Notice that "sets forth the specific information that interconnected [VoIP] service providers must include in the Compliance Letters required by [the *Order*]." The Bureau stated that a provider's compliance letter must address: (1) the 911 solution that the provider has employed (including information concerning routing information and connectivity to the wireline E911 network, transmission of a caller's number and location information, and the extent of 911 coverage); (2) the provider's method of obtaining initial and updated subscriber location information; and (3) any technical

<sup>&</sup>lt;sup>1</sup> *IP-Enabled Services; E911 Requirements for IP-Enabled Service Providers*, First Report and Order and Notice of Proposed Rulemaking, 20 FCC Rcd 10245, ¶ 1 (2005) ("*Order*").

<sup>&</sup>lt;sup>2</sup> *Id.* ¶ 50.

<sup>&</sup>lt;sup>3</sup> Enforcement Bureau Outlines Requirements of November 28, 2005 Interconnected Voice Over Internet Protocol 911 Compliance Letters, Public Notice, WC Docket Nos. 04-36 & 05-196, DA 05-2945, at 1 (rel. Nov. 7, 2005) ("November Public Notice").

solution that the provider is implementing "to ensure that subscribers have access to 911 service whenever they use their service nomadically."

#### 1. Time Warner Cable's Enhanced 911 Solution.

Using its own upgraded hybrid fiber-coaxial cable-television facilities, Time Warner Cable provides an IP-based voice service under the brand name "Digital Phone." Since its initial trial deployment in late 2002, Time Warner Cable has ensured that Digital Phone service has included Enhanced 911 functionality. Time Warner Cable's E911 service is provided by transmitting automatic number information ("ANI") and automatic location information ("ALI") directly to public safety answering point ("PSAP") emergency dispatchers over the existing wireline 911 network. Specifically, along with each Digital Phone 911 call, ANI and ALI information is transmitted to the appropriate Selective Router and delivered to the appropriate PSAP over dedicated 911 trunk lines between the Selective Router and the PSAP. Routing to the appropriate PSAP is accomplished by the Selective Router, which determines, based on the caller's service address, the correct PSAP that serves the caller's geographic location.

In some geographic areas, Time Warner Cable interconnects directly to the existing wireline 911 network in the area, so that 911 calls are transmitted directly from Time Warner Cable's own or leased facilities to the local Selective Router, and then routed, along with ANI and ALI, to the geographically appropriate PSAP. In other areas, Time Warner Cable interconnects to the wireline 911 network indirectly, through service agreements with carriers such as Sprint and MCI. Where Time Warner Cable relies on indirect connections, the intermediary carriers have access to, and interconnect with, the local Selective Routers. This ensures that all 911 calls originated by Time Warner Cable subscribers in those areas are sent, along with ANI and ALI, to the correct PSAP. As of November 28, 2005, Time Warner Cable has interconnected, directly or indirectly, with approximately 100 Selective Routers.

Time Warner Cable does not begin providing Digital Phone service to subscribers in a given area unless and until the PSAPs in that area are capable of receiving and processing the 911 caller's ANI and ALI information. Accordingly, one hundred percent of the PSAPs within Time Warner Cable's current Digital Phone service area are capable of receiving and processing the ANI and ALI information that Time Warner Cable submits. In addition, Time Warner Cable does not begin providing Digital Phone service to subscribers in a given area unless and until the E911 service, including the transmission and processing of ANI and ALI, is tested and certified in coordination with the local PSAP. Thus, all Time Warner Cable Digital Phone subscribers receive enhanced 911 service that is compliant with the rules established in the *Order*, and Time Warner Cable is in compliance with the requirements of the *Order* in all parts of the country in which it offers Digital Phone service.

<sup>&</sup>lt;sup>4</sup> *Id*. at 4.

#### 2. Obtaining and Updating Registered Location Information.

As described herein, Time Warner Cable has obtained the "Registered Location" of one hundred percent of its Digital Phone subscribers.

When new subscribers order Digital Phone service, they must provide and confirm the physical location of their service address during the order process. This is done whether a Digital Phone sale is made over the telephone, over a secure Time Warner Cable website, or in person. In the vast majority of cases, during the sales process, an installation appointment for each customer is arranged. On the pre-arranged date, Time Warner Cable dispatches a professional technician to the subscriber's home to install an embedded multimedia terminal adapter (or "eMTA"), which is a voice-enabled cable modem that contains an RJ-11 outlet, and to perform any necessary inside wiring work at the subscriber's premises. As part of this installation service call, the Time Warner Cable technician verifies that the address information that the subscriber provided to Time Warner Cable during the initial sale is correct. In addition, after the initial sale and before the service installation at the subscriber's premises, Time Warner Cable begins the process of provisioning Digital Phone E911 service to that subscriber by submitting the subscriber's address information to the appropriate ALI database, which may be maintained by the incumbent local exchange carrier in that area, a 911 governmental entity, or a third party 911 contractor. The physical address information contained in the ALI database for each Digital Phone subscriber is the "Registered Location" for that subscriber within the meaning of the Order. 5 Therefore, Time Warner Cable obtains a Registered Location for each of its subscribers as of both the initial sale of service and the initial date of service. In addition, as described above. Time Warner Cable submits that Registered Location to the ALI database prior to physically installing service at the subscriber's premise.

On the rare occasions that a subscriber does not port his or her telephone number and does not require that inside wiring work be performed at the premises, the subscriber may opt to use a Digital Phone self-installation kit rather than arrange for an in-home installation performed by a Time Warner Cable technician. In those cases, an eMTA associated with a new telephone number is provided to the subscriber, and the subscriber provides and confirms to Time Warner Cable the physical location where service will be maintained. When the sale of Digital Phone is made and the eMTA and self-installation kit is provided to the subscriber, Time Warner Cable immediately provisions the Digital Phone E911 service by submitting the subscriber's ANI and ALI information to the ALI database.

If a Digital Phone subscriber moves to a new residence and wishes to retain his or her Digital Phone service, the subscriber must terminate service at the initial location and order service at the new location. When the subscriber calls to notify Time Warner Cable of the move, Time Warner Cable schedules a new installation appointment and dispatches a technician to provision Digital Phone service at the new location. As with an initial installation, the

<sup>&</sup>lt;sup>5</sup> See Order ¶ 46.

technician will provide, if necessary, and set up the eMTA and perform any necessary inside wiring work to ensure that Digital Phone operates throughout the home. Apart from service activation, this service call also allows Time Warner Cable to verify the subscriber's new address. Just as with a new subscriber, Time Warner Cable submits the subscriber's ANI and ALI information with the ALI database after being notified of the move and before installing service in the new location. This new ALI entry then becomes the subscriber's new Registered Location.

#### 3. Technical Solutions for Nomadic Subscribers.

As explained in a prior Subscriber Notification Report in this docket, <sup>6</sup> Time Warner Cable Digital Phone is not a nomadic service. Digital Phone service was designed not to be used over the public Internet, but rather to operate only when provided over Time Warner Cable's hybrid fiber-coaxial cable television plant and used in conjunction with Time Warner Cable's switching and routing facilities. Accordingly, the eMTA devices used in connection with Digital Phone were not designed to be moved. <sup>7</sup> Thus, the technical solutions that have been designed "to ensure that subscribers have access to 911 service whenever they use their service nomadically" <sup>8</sup> — such as the automatic detection mechanisms that other VoIP providers intend to add to their Internet-based VoIP services <sup>9</sup> — are not applicable to the fixed, facilities-based Digital Phone service provided over Time Warner Cable's cable network.

The fixed nature of the Digital Phone service also means that "updating information regarding the user's physical location" occurs only in the context of a permanent address

<sup>&</sup>lt;sup>6</sup> See Letter from Julie Y. Patterson, Vice President and Chief Counsel, Telephony, Time Warner Cable Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket 05-196 (filed Aug. 10, 2005) ("August 10 Letter").

<sup>&</sup>lt;sup>7</sup> In virtually all cases, Time Warner Cable's eMTAs simply will not function if moved. As noted in our *August 10 Letter*, an eMTA might work in the event that a customer moved the device to the premises of another Time Warner Cable customer who happens to be served off the same node. *August 10 Letter* at 4 n.9. In addition to the technical limitations, Time Warner Cable's Digital Phone Subscriber Agreement and Terms of Service prohibit customers from moving the eMTA. *See*, *e.g.*, Time Warner Cable Digital Phone Subscription Agreement, § 2(i) ("Transfer of . . . the Operator's Equipment by Subscriber to any other person or entity, or to a new residence or other location, is prohibited.").

<sup>&</sup>lt;sup>8</sup> November Public Notice at 4.

<sup>&</sup>lt;sup>9</sup> See, e.g., Letter from Robert W. Quinn, Jr., Vice President, Federal Government Affairs, AT&T, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 04-36, 05-196 (filed Oct. 7, 2005).

 $<sup>^{10}</sup>$  Order ¶ 46. By its terms, the requirement applies only to "providers of interconnected VoIP services that can be utilized from more than one physical location." *Id*.

change — not in the context of nomadic use of the service. As described above, changes to the physical location of a subscriber's Digital Phone equipment require a call to Time Warner Cable's customer service representatives before the service can be used at the new residence at all, and service is actually terminated at the previous location and re-initiated at the new location. During that process, Time Warner Cable automatically updates the subscriber's Registered Location by provisioning E911 service at the new location as part of the service activation at that new location.

Please contact me if I can be of assistance with additional information.

Respectfully submitted,

/s/

Julie Y. Patterson

## Copies by e-mail to:

- Kathy Berthot, Deputy Chief, Spectrum Enforcement Division, Enforcement Bureau, kathy.berthot@fcc.gov;
- Janice Myles, Competition Policy Division, Wireline Competition Bureau, janice.myles@fcc.gov;
- Best Copy and Printing, Inc. (BCPI), fcc@bcpiweb.com.

Ordinarily, a Digital Phone subscriber could place this customer service call using his or her Digital Phone equipment. If the subscriber waits until after his or her move to contact Time Warner Cable, however, the subscriber will be unable to use Digital Phone equipment at the new location for any purpose — including updating location information — until a technician has activated Digital Phone service.

# EXHIBIT IV(C)(5)

August 10, 2005

## Via Electronic Filing

Marlene Dortch
Federal Communications
Enforcement Bureau
445 12th Street SW
Washington, DC 20554

Re: AOL Enhanced Services, LLC Subscriber Notification Report in WC Docket No. 05-196

Dear Ms. Dortch:

On behalf of AOL Enhanced Services, LLC ("AOL"), I hereby enclose AOL's report providing the information requested by the Enforcement Bureau concerning the Commission's July 29, 2005 subscriber notification deadlines for interconnected Voice over Internet Protocol providers. See Public Notice: Enforcement Bureau Provides Guidance to Interconnected Voice Over Internet Protocol Service Providers Concerning the July 29, 2005 Subscriber Notification Deadlines, DA 05-2085 (rel. July 26, 2005). Please feel free to contact me if you have any questions regarding this filing.

Sincerely,

/s/

Tekedra McGee Jefferson Assistant General Counsel America Online, Inc. 22000 AOL Way Dulles, VA 20166 (703) 265-6527 TekedraM@aol.com

# **AOL Enhanced Services, LLC Subscriber Notification Report**

WC Docket No. 05-196

AOL Enhanced Services, LLC ("AOL"), a wholly-owned subsidiary of America Online, Inc., provides the information requested by the Enforcement Bureau in its July 26, 2005 public notice on the Commission's subscriber notification requirements for interconnected Voice over Internet Protocol ("VoIP") providers. As requested in the July 26, 2005 public notice, AOL describes: its efforts to notify its AOL Internet Phone Service subscribers of the limitations of its VoIP emergency E911 service and obtain customer acknowledgement of these limitations; its efforts to provide its customers with warning stickers regarding these limitations; the actions its plans to take with regard to customers who fail to provide the required acknowledgement by August 30, 2005; and the measures it has taken to maintain acknowledgements received from subscribers.

To date, as a result of its concerted efforts described below, AOL has obtained acknowledgements from 98% percent of the subscriber base. AOL is continuing its efforts to obtain acknowledgements from its few remaining subscribers. For questions regarding AOL's E911 compliance activities described below, please contact:

Tekedra McGee Jefferson Assistant General Counsel America Online, Inc. 22000 AOL Way Dulles, VA 20166 (703) 265-6527 TekedraM@aol.com

AOL Internet Phone Service, to be branded as TotalTalk<sup>TM</sup>, uses existing high-speed Internet connections to offer consumers unlimited local and long distance voice services. AOL's April 2005 launch of the service included 40 metropolitan areas across the United States, and AOL anticipates that, by the end of this year, more than 70 percent of U.S. households will be able to subscribe to this exciting new offering. While AOL's Internet Phone Service has nomadic capabilities and thus presents challenges for implementing E911, AOL is strongly committed to ensuring that its subscribers have access to vital emergency services.

<sup>&</sup>lt;sup>1</sup> See Public Notice: Enforcement Bureau Provides Guidance to Interconnected Voice Over Internet Protocol Service Providers Concerning the July 29, 2005 Subscriber Notification Deadlines, DA 05-2085 (rel. July 26, 2005) ("Extension Notice").

<sup>&</sup>lt;sup>2</sup> See IP-Enabled Services and E911 Requirements for IP-Enabled Service Providers, First Report and Order and Notice of Proposed Rulemaking, FCC 05-116 (rel. Jun 3, 2005).

<sup>&</sup>lt;sup>3</sup> AOL has also obtained acknowledgements from 82% percent of its beta test users.

<sup>&</sup>lt;sup>4</sup> AOL's Internet Phone Service offers any-distance calling packages (AOL also offers metered in-state and long distance calling plans); call waiting, caller ID, and related features; toll-free calling; international calling; directory assistance; operator services; and telecommunications relay services. Subscribers also can port existing telephone numbers and retain directory listings.

# I. <u>Notification Activities</u>

#### A. Existing Subscribers

AOL has undertaken a substantial effort to inform its existing AOL Internet Phone Service customers regarding the limitations of its VoIP emergency E911 service compared to traditional circuit-switched E911 service, and to obtain customers' acknowledgement that they understand these limitations. In particular, AOL has used and still uses pop-ups in the AOL client software, emails, direct mail, voice mail messages, and phone calls in order to inform existing customers of such limitations and obtain their acknowledgement that they understand these limitations. Each method employed by AOL is described in more detail below.

# 1. Pop-Up

AOL Internet Phone Service customers receive a pop-up message when they open the AOL client software. The pop-up advises the subscriber of the limitations of the AOL Internet Phone Service emergency service (E911) vis-à-vis traditional 911 service. At the end of this notification, the customer must select one of two buttons -- "I Agree" or "I Do Not Understand" -- in order to continue use of the AOL client software. If the customer clicks the "I Agree" button, he/she will not see the pop-up again when he/she opens the AOL client. If the customer clicks the "I Do Not Understand" button, he/she is directed to customer service for further assistance. When this customer opens the AOL client again, he/she will receive the pop-up again. AOL has employed the pop-up notification and acknowledgement process since July 12, 2005.

In addition to the automatic pop-up that customers face when they open the AOL client software, AOL has set up its AOL Keyword to facilitate notification and acknowledgement of the E911 limitations by its AOL Internet Phone Service customers. When a customer enters AOL Keyword "E911," the customer will be linked directly to the pop-up. If the customer has already clicked the "I Agree" button, the pop-up will notify him/her that he/she has already agreed to the notification. If the customer has not yet clicked the "I Agree" button, he/she must click either the "I Agree" or "I Do Not Understand" button in order to continue. The AOL Keyword link to the E911 notification pop-up has been running since July 12, 2005.

#### 2. Email Notification

AOL sent email communications to its AOL Internet Phone Service customers containing the same notification regarding the E911 limitations as the pop-up described above, and alerting customers that their service may be terminated if they fail to submit an acknowledgement of the E911 limitations in a timely manner. The email directed the customers to AOL Keyword "E911" in order for them to receive the notification described above and acknowledge doing so. The first email message was sent

<sup>&</sup>lt;sup>5</sup> An AOL member who is not an interconnected VoIP subscriber will receive the regular search results for the term "E911."

on July 14, 2005. A follow-up email message was sent on July 21, 2005. On August 8, 2005, AOL sent an additional email message to the few remaining customers who had not yet responded.

For non-paying beta users, AOL sent a similar email communication warning the customer that their service will be disconnected on or before August 25, 2005. The email was sent on July 28, 2005 to all beta users who had not yet responded. The email stated that, if these users failed to provide their acknowledgement by midnight on July 31, 2005, their service would be disconnected between August 1 and August 25, 2005.

#### 3. Direct Mail

AOL sent a direct mail communication to all AOL Internet Phone Service customers. These letters were mailed between July 19 and July 26. The direct mailing included the same disclosure regarding the limitations of VoIP E911 as the pop up disclosure, and directed the customers to AOL Keyword "E911" in order for them to receive the notification described above and acknowledge doing so. In addition, these letters included an acknowledgement form that the customer was asked to fax to AOL. These letters also included a sheet of six (6) E911 warning stickers for customers to place on their AOL Internet Phone Service equipment.

#### 4. Voice-Mail

AOL sent two voice-mail messages to existing customers directing them to AOL Keyword "E911" in order for them to receive the notification described above and acknowledge doing so. The first voice-mail message was sent on July 19, 2005 and the second voice-mail message was sent on July 25, 2005.

#### 5. Phone Calls

Beginning on July 27, 2005, AOL began placing outbound calls to its paying AOL Internet Phone Service customers from whom it had not yet received a completed acknowledgement. Customers were warned that their service would be disconnected if AOL does not receive an acknowledgement by August 25, 2005.

## 6. Additional Acknowledgement Methods

<sup>&</sup>lt;sup>6</sup> In addition to regular service accounts and beta service accounts, AOL has certain interconnected VoIP press accounts. These accounts were set up when the product was first launched to allow members of the media to evaluate AOL's service. If press account users wish to continue to use their AOL Internet Phone service, AOL is requiring that these users register through the regular registration process. All of the press account users that have not re-registered as a regular account will be disconnected by August 30, 2005.